

# Transfer of Development Credits (TDC) Pilot Program

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A DDES Customer Information Bulletin



King County Department of Development and Environmental Services  
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<http://www.metrokc.gov/ddes/>

## Frequently Asked Questions

King County DDES has created customer information bulletins to inform the general public about the effect of codes and regulations on their projects. These bulletins are not intended to be complete statements of all laws and rules and should not be used as substitutes for them. If conflicts and questions arise, current codes and regulations are the final authority. Because the codes and regulations may be revised or amended at any time, consult King County staff to be sure you understand all requirements before beginning work. It is the applicant's responsibility to ensure that each project meets all requirements of applicable codes and regulations.

### What is the Transfer of Development Credits (TDC) Pilot Program?

King County Code (K.C.C.) Title 21A provides two separate programs for transferring development density from one site to another. This bulletin addresses the Transfer of Development Credits (TDC) Pilot Program, which was established under Ordinance No. 13274, as codified in K.C.C. chapter 21A.55. The second program is the Transfer of Residential Density Credits Program, which is contained in K.C.C. chapter 21A.36. Property owners may choose to use either of these programs.

K.C.C. chapter 21A.55 establishes a pilot program that allows potential residential development that could be built on one piece of property to be transferred to another piece of property. This transfer is an effort to protect lands that provide a public benefit, such as environmentally sensitive lands, resource lands, or land for trails, parks, open space, or historic resources.

What is the difference between the TDC Pilot Program in K.C.C. chapter 21A.55 and the Transfer of Residential Density Credits Program in K.C.C. chapter 21A.36?

The TDC Pilot Program differs from the Transfer of Residential Density Credits Program in the following ways:

- ◆ The Pilot Program allows density to be received on certain rural zoned lands, while density can only be transferred to urban zoned lands under the K.C.C. chapter 21A.36 program.
- ◆ The Pilot Program allows the site sending density and the site receiving density to be reviewed separately, while the K.C.C. chapter 21A.36 program requires a simultaneous review.
- ◆ The Pilot Program requires a discount in credits for the portion of the parcel that is unbuildable because of certain kinds of sensitive areas or other encumbrances in the urban area. The K.C.C. chapter 21A.36 program, on the other hand, allows the entire site, except submerged lands, to be used to calculate the number of development credits available to be transferred.

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### What is the purpose of the TDC Pilot Program?

The TDC Pilot Program was developed for the following reasons:

- ◆ To create a new, voluntary, incentive-based process for preserving lands that provide a public benefit;
- ◆ To give landowners an opportunity to receive a financial benefit from their property without having to develop or sell it;
- ◆ To focus residential development on areas capable of handling additional density and minimize impacts to the environment and public services;
- ◆ To provide developers with a way to achieve the maximum density provisions of the zoning code as called for by the King County Comprehensive Plan; and
- ◆ To test the provisions of the TDC Pilot Program until October 2001 and measure their effectiveness.

### What are development credits?

A development credit is defined as the difference between the existing use of a parcel and its potential residential use permitted by zoning. In other words, a development credit is determined by, and is equal to, a parcel's unused residential development potential. For purposes of this program, residential means both single detached and attached units, such as apartments and townhouses.

### How does the TDC Pilot Program work?

There are two steps to the TDC Pilot Program:

First, landowners who are interested in having their property qualify as a sending site must complete an application to determine if the land meets the criteria as a public benefit. If the property qualifies, the landowner receives a TDC Certificate or a TDC Letter of Certification, indicating the property's designation as a sending site and documentation of the number of credits available for transfer. The sending site is encumbered with a conservation easement or deed restriction to prevent future development.

Second, the sending site credits may be transferred to an eligible receiving site, which is property that has been determined capable of accommodating additional residential density up to a maximum that has been established by the zoning through the purchase of development credits. The receiving site's ability to accept the development credits is determined through subdivision or building permit application.

### What are the criteria for a sending site?

A sending site must be designated as one of the following in the King County Comprehensive Plan, or a functional program, such as the Farmland Preservation Plan or the King County Parks, Recreation, and Open Space Plan:

- ◆ A rural farm or forest district land
- ◆ An agricultural land
- ◆ A proposed park site

A sending site may also qualify as appropriate for preservation as one or more of the following if it receives a written determination by a public-land managing agency, such as the King County Department of Parks and Recreation, the King County Department of Natural Resources, or a private land conservation organization, such as the Nature Conservancy:

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- ◆ An open space
- ◆ A significant wildlife habitat
- ◆ An urban separator (greenbelt)
- ◆ A regional trail/natural linkage
- ◆ An historic landmark

### How may I have my property qualified as a sending site?

You must submit an application to the King County Department of Natural Resources for review and approval of your site as a sending site. Based on the current fee schedule, you will be charged an hourly fee for review of your application. Fees are subject to change by the King County Council and are usually adjusted yearly. Refer to K.C.C. Title 27 for a list of specific amounts, or call DDES at 206-296-6600. With the application, you must provide the following:

- ◆ A title report;
- ◆ A legal description of the site;
- ◆ A description of how the site meets the qualifying criteria;
- ◆ A density calculation worksheet, and a site plan showing the existing dwelling units;
- ◆ A site plan showing other development (such as conservation easements or other site constraints);
- ◆ A description of submerged lands;
- ◆ A description of unbuildable sensitive areas and their buffers;
- ◆ A forest management plan, if the sending site is a Rural Forest District; and
- ◆ A map showing the proposed conservation easement area, if only a portion of the property is the sending site.

Call the Department of Natural Resources at the number listed at the end of this bulletin to get more information and to request an application packet.

### What qualifies as a potential receiving site?

To qualify as a receiving site, the property must meet the following criteria:

- ◆ Be unincorporated King County urban land zoned Residential 4 through 48 dwelling units per acre (R-4 through R-48), Neighborhood Business (NB), Community Business (CB), Regional Business (RB), or Office (O);
- ◆ Be a King County incorporated municipal jurisdiction with urban centers, as designated in the Countywide Planning Policies (CPP), a transit station site, and/or another urban area where new growth is encouraged under the Washington State Growth Management Act (GMA) or CPPs; and
- ◆ Be unincorporated King County rural land zoned Rural 2.5 or 5 acres per dwelling unit (RA-2.5 and RA-5), which may receive development credits transferred only from a certified Rural Farm and Forest District sending site.

In addition, rural receiving sites must fulfill the following requirements:

- ◆ Be able to be served by a Group A public water system;
- ◆ Be located within one-quarter mile of an existing predominate pattern of rural lots smaller than five acres in size;
- ◆ Not adversely impact regionally or locally significant resource areas or environmentally sensitive areas;
- ◆ Not require that public services and facilities be extended to create or encourage a new pattern of smaller

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lots; and

- ◆ Not be located on Vashon or Maury islands, or within rural farm and forest districts.

### How are the number of sending site development credits determined?

All rural and urban sending sites are allocated development credits predicated on base-zoned density, minus any portion of the site already used to calculate residential development thereon, in a conservation easement or other similar encumbrance, or containing submerged lands.

In addition, the following rules also apply. Urban sending sites receive the following:

- ◆ Twenty-five percent of base-zoned density for any portion of the sending site containing unbuildable sensitive areas (Class 1 and 2 wetlands, streams, steep slopes, and their buffers) for the R-4 through R-48 zoned properties;
- ◆ One-hundred percent of the remaining portion of the sending site after the deductions mentioned above and deductions of regional utility corridors or other areas required by the County to remain undeveloped;
- ◆ One credit per acre for R-1 zoned properties.

Rural sending sites are allocated twice the base-zoned density after the deductions are made, if the development credits are transferred to urban receiving sites.

### How may I determine the number of development credits I can use on my receiving site?

The maximum number of potential dwelling units that may be built on a receiving site is 150 percent times the base-zoned density. The exact number of units that may be achieved is determined through the review of your receiving site development application.

### Where may I get more information about the Transfer of Development Credits (TDC) Pilot Program?

If you need additional information or have questions that were not answered by this bulletin, please contact the following individual:

TDC Program Planner  
201 S. Jackson Street, Suite 600  
Seattle, WA 98104-3855

Telephone: 206-296-7809  
Fax: 206-296-0192

## Frequently Asked Questions

### Other bulletins and telephone numbers that may be helpful

Bulletin 1 Building and Development Permit Telephone Numbers

Bulletin 17A Zoning Code: Overview and Summary

Bulletin 21 Sensitive Areas Review

206-296-7809 King County Department of Natural Resources/TDC Program

206-296-6600 DDES Information



King County complies with the Americans with Disabilities Act (ADA). If you require an accommodation to attend a meeting (two weeks' notice) or require this information in Braille, audiocassette, or large print, please call 206-296-6693 or TTY 206-296-7217.